
Program Memorandum

Carriers

Department of Health and
Human Services (DHHS)

HEALTH CARE FINANCING
ADMINISTRATION (HCFA)

Transmittal B-00-28

Date: JUNE 2000

CHANGE REQUEST 1194

SUBJECT: Billing of Influenza (Flu) and Pneumococcal (PPV) Virus Claims for Authorized Centralized Billing Providers to be Processed Through One Designated Carrier

PLEASE NOTE: THE BILLING INFORMATION IN THIS PROGRAM MEMORANDUM (PM) APPLIES ONLY TO MASS IMMUNIZERS OF FLU AND PPV VACCINATIONS THAT HAVE BEEN AUTHORIZED BY HCFA TO BILL TO ONE CARRIER FOR ALL CLAIMS REGARDLESS OF THE LOCALITY IN WHICH THE SERVICE IS PROVIDED. THIS PRACTICE IS KNOWN AS CENTRALIZED BILLING. ALL OTHER PROVIDERS, INCLUDING MASS IMMUNIZERS NOT AUTHORIZED TO CENTRALLY BILL, MUST CONTINUE TO BILL FOR THESE CLAIMS PER THE INSTRUCTIONS IN THE MEDICARE CARRIERS MANUAL (MCM) PART 3, §4480.

THE CLAIMS PROCESSING INSTRUCTIONS APPLY ONLY TO THE DESIGNATED PROCESSING CARRIER. HOWEVER, ALL CARRIERS MUST FOLLOW THE INSTRUCTIONS PROVIDED UNDER THE SECTION TITLED, "NOTIFICATION TO PROVIDERS."

HCFA currently authorizes a limited number of providers to centrally bill for flu and PPV immunization claims. Centralized billing is a process in which a provider, who is a mass immunizer for flu and PPV immunizations, can send all claims to a single carrier for payment regardless of the locality in which the vaccination was administered. This process is only available for claims for the flu and PPV vaccines and their administration.

Claims Processing Information

Effective for flu and PPV claims with dates of service on or after October 1, 2000 submitted by authorized centralized billers, Trailblazers Health Enterprises has been designated the sole carrier for the payment of flu and PPV claims for multi-state centralized billers from October 1, 2000 through the extent of the contract. HCFA central office (CO) will notify centralized billers as to the appropriate carrier to bill, should that change, in following years. In addition, every year, HCFA CO will notify the designated carrier by July 1 as to the names of the entities that are authorized to participate in centralized billing for that season. **For the season beginning October 2000, this date will be extended to August 7, 2000.** (We recognize that there is no season, per se, for PPV vaccinations. However, mass immunization programs for PPV typically coincide with flu immunization campaigns. Therefore, for both PPV and flu, the "season" will be defined as October 1 through the end of March of the following year.) Providers must apply for permission to participate in the centralized billing program by April 1 of the year prior to the beginning of the flu season for which they wish to bill. The carrier may not process claims for any centralized biller without permission from HCFA CO.

Due to these changes in the centralized billing program, providers currently participating in centralized billing, or those that have already applied to participate in the upcoming season, will be allowed to participate in the next season though their application for the new program may not be received before April 1, 2000. However, they will still have to agree to accept the criteria outlined in this document.

The payment rate for the administration of the vaccines will be based on the Medicare Physician Fee Schedule (MPFS). The HCPCS codes G0008 and G0009 for the administration of the vaccines should be keyed to the HCPCS code 90782 for the appropriate processing year. As the season straddles two calendar years, the designated carrier will be provided with a payment file prior to October 1 for the current year, and a new file for the next year as soon as that year's MPFS is released. The payment file will include the rates for all localities and the designated carrier must make the necessary systems changes in order to pay the flu and PPV claims with the correct rates for the locality where the service is provided.

The payment rates for the vaccines will be determined by CO staff, regional office staff and carrier staff using the method described in Program Memorandum Transmittal AB-99-63, Implementation of the New Payment Limit for Drugs and Biologicals. The rates will be determined for October 1 and then reviewed and updated for January 1, if necessary. Current covered HCPCS codes for flu and PPV can be found in MCM Part 3, §4480.

BY OCTOBER 1, 2000, TRAILBLAZERS HEALTH ENTERPRISES, STANDARD SYSTEMS AND COMMON WORKING FILE MUST MAKE ALL NECESSARY SYSTEMS CHANGES TO BE ABLE TO ACCEPT AND PAY FLU AND PPV CLAIMS FROM HCFA AUTHORIZED CENTRALIZED BILLERS.

It is the responsibility of the carrier to fully educate the centralized billers on the processes for centralized billing as well as for roster billing. Basic instructions for roster billing may be found in §4480.6, Simplified Roster Bills, though some additional requirements are mandated for centralized billers. For general information on flu and PPV coverage and billing, carriers may direct providers to the HCFA home page.

Notification to Providers

All carriers must notify providers in their next regularly scheduled bulletin of the availability of the centralized billing program for multi-state mass immunizers. Questions from interested providers should be forwarded to the designated processing carrier or to the central office address below.

The following language must be used:

Centralized billing is a process in which a provider, who is a mass immunizer for influenza and Pneumococcal (PPV) immunizations, can send all claims to a single carrier for payment regardless of the geographic locality in which the vaccination was administered. This process is only available for claims for the flu and PPV vaccines and their administration. The administration of the vaccinations will be reimbursed per the Medicare Physician Fee Schedule for the appropriate locality. The vaccines will be reimbursed at the standard method used by Medicare for reimbursement of drugs and biologicals which is based on the lower of cost or 95 percent of the Average Wholesale Payment (AWP).

Multi-State mass immunizers interested in centralized billing must contact HCFA central office (CO), in writing, at the following address by April 1 of the year they wish to begin centrally billing. **For the season that begins in October 2000, the deadline will be extended through July 21, 2000.**

Division of Practitioner Claims Processing
 Provider Billing and Education Group
 Health Care Financing Administration
 7500 Security Boulevard
 Mail Stop C4-11-27
 Baltimore, Maryland 21244

By agreeing to participate in the centralized billing program, providers agree to abide by the following criteria. In addition, in order to continue participation in the program, providers who have participated in past seasons, will also be required to abide by the revised criteria.

CRITERIA FOR CENTRALIZED BILLING

- o To qualify for centralized billing, a mass immunizer must be operating in at least three payment localities for which there are 3 different carriers processing claims.
- o Individuals and entities providing the vaccine and administration must be properly licensed in the State in which the immunizations are given.
- o Multi-State mass immunizers must agree to accept assignment (i.e., they must agree to accept the amount that Medicare pays for the vaccine and the administration). Since there is no coinsurance or deductible for the flu and PPV benefit, accepting assignment means that Medicare beneficiaries can not be charged for the vaccination, i.e., beneficiaries may not incur any out-of-pocket expense. For example, a drugstore may not charge a Medicare beneficiary \$10 for an influenza vaccination and give the beneficiary a coupon for \$10 to be used in the drugstore. This practice is unacceptable.
- o The carrier assigned to process the claims for centralized billing will be chosen at the discretion of HCFA based on such considerations as workload, user-friendly software developed by the contractor for billing claims, and overall performance.
- o The payment rates for the administration of the vaccinations will be based on the Medicare Physician Fee Schedule (MPFS) for the appropriate year. Payment made through the MPFS is based on geographic locality. Therefore, the multi-state mass immunizer must be willing to accept that payments received may vary based on the geographic locality where the service was performed.
- o The payment rates for the vaccines will be determined by the standard method used by Medicare for reimbursement of drugs and biologicals which is based on the lower of cost, or 95 percent of the AWP.
- o Multi-State mass immunizers must agree to submit their claims in an Electronic Media Claims standard format using either the National Standard Format (NSF) or American National Standards Institute (ANSI) X12.837 format. Paper claims will not be accepted.
- o In addition to the roster billing instructions found in the Medicare Carriers Manual §4480.6, Simplified Roster Bills, multi-State mass immunizers must complete on the electronic format the area that corresponds to Item 32, (Name and Address of Facility) on Form HCFA-1500, in order for the carrier to be able to pay correctly by geographic locality. This would be the BA0 record of the NSF or the NM1, N2 and N3 segments of the ANSI format.
- o Multi-State mass immunizers must obtain certain information for each beneficiary including name, health insurance number, date of birth, sex, and signature. The assigned Medicare carrier must be contacted prior to the season for exact requirements. The responsibility lies with the multi-state mass immunizer to submit correct beneficiary Medicare information (including the beneficiary's Medicare Health Insurance Claim Number) as the carrier will not be able to process incomplete or incorrect claims.
- o Multi-State mass immunizers must obtain an address for each beneficiary so that an Explanation of Medicare Benefits (EOMB) or Medicare Summary Notice (MSN) can be sent to the beneficiary by the carrier. Beneficiaries are sometimes confused when they receive an EOMB or MSN from a carrier other than the carrier that normally processes their claims which results in unnecessary beneficiary inquiries to the Medicare carrier. Therefore, multi-state mass immunizers must provide every beneficiary receiving an influenza or PPV vaccination with the name of the carrier selected by HCFA. This notification must be in writing, in the form of a brochure or handout, and must be provided to each beneficiary at the time he or she receives the vaccination.

- o Multi-State mass immunizers must retain roster bills with beneficiary signatures at their permanent location for a time period consistent with Medicare regulations. The Medicare carrier selected to process the claims can provide this information.
- o Though multi-State mass immunizers may already have a Medicare provider number, for purposes of centralized billing, they must also obtain a provider number from the carrier selected by HCFA to process the flu and PPV claims. This can be done by completing Form HCFA-855 (Provider Enrollment Application) which can be obtained from that carrier.
- o If a multi-State mass immunizer's request for centralized billing is approved, the approval is limited to the upcoming flu season. It is the responsibility of the multi-State mass immunizers to reapply to HCFA CO for approval each year by April 1 for the year prior to the beginning of the flu season for which they wish to bill. Claims submitted without approval will be denied.
- o Each year the multi-State mass immunizers must contact the assigned carrier to verify understanding of the coverage policy for the administration of the PPV vaccine, and for a copy of the warning language that is required on the roster bill.
- o The multi-State mass immunizer will be responsible for providing the beneficiary with a record of the PPV vaccination.

The information requested in items 1 through 6 below must be included with the multi-State mass immunizer's annual request to participate in centralized billing:

1. Estimates for the number of beneficiaries who will receive influenza virus vaccinations;
2. Estimates for the number of beneficiaries who will receive PPV vaccinations;
3. The approximate dates for when the vaccinations will be given;
4. A list of the States in which flu and PPV clinics will be held;
5. The type of services generally provided by your corporation (e.g., ambulance, home health, or visiting nurse); and
6. Whether the nurses who will administer the flu and PPV vaccinations are employees of your corporation or will be hired by your corporation specifically for the purpose of administering flu and PPV vaccinations.

The *effective date* for this PM is October 1, 2000.

The *implementation date* for this PM is October 1, 2000.

These instructions should be implemented within your current operating budget.

This PM may be discarded after October 1, 2001.

If you have any questions, please contact the appropriate regional office.